BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 1992-110-C - ORDER NO. 2007-472

JULY 3, 2007

| | |
|---|---|
| IN RE:   Dual Party Relay | )   ORDER MAINTAINING<br>)   MONTHLY ACCESS<br>)   CHARGE AND<br>)   APPROVING BUDGET |

This matter comes before the Public Service Commission of South Carolina (the

Commission) for consideration of the June 12, 2007, letter with attachment from the

Office of Regulatory Staff (ORS) which proposes a budget for the Dual Party Relay

Service for fiscal year 2007-2008. (See Order Exhibit No. 1.) At the request of the

Commission, Dawn Hipp of the ORS made a detailed presentation with regard to the

proposed budget and answered questions of the Commission during the regular

Commission meeting held on June 27, 2007. Because of the reasoning stated below, we

approve the proposed budget as referenced in said materials, which funds program

growth while maintaining the access line charge constant at $0.15.

With regard to the monthly access charge, S.C. Code Ann. Section 58-9-2530(A)

(Supp. 2006) states that the Commission may require all local exchange telephone

companies operating in this State to impose a monthly charge not to exceed twenty-five

(25) cents on all residential and business local exchange access facilities as necessary to

fund the operation of the dual party relay system in South Carolina. The statute goes on

to state that the amount of the charge must be determined by the Commission based upon

the amount of funding necessary to accomplish the purposes of the article and provide

dual party telephone relay services on a continuous basis. ORS administers the funds. In

keeping with Section 58-9-2530(A) (Supp. 2006) this Commission has approved a series

of adjustments to the surcharge in the past.

Currently the surcharge is $0.15 per month per line. The proposed budget as

described in ORS' June 12, 2006, materials would maintain this level, while allowing full

funding for expansion as requested by each program area. Further, this budget provides

for a collaborative outreach effort to increase awareness of each program area. We note

that the total budget request of $4,115,058 for Fiscal Year 2007-2008 represents no

increase over the amount approved for the Fiscal Year 2006-2007 budget. Accordingly,

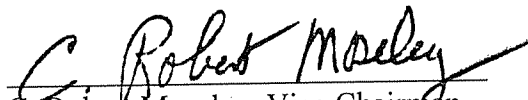we approve the budget request for Fiscal Year 2007-2008 as filed.

This Order shall remain in full force and effect until further Order of the

Commission.

BY ORDER OF THE COMMISSION:


G. O'Neal Hamilton, Chairman


ATTEST:


C. Robert Moseley, Vice Chairman

(SEAL)

June 12, 2007

Mr. Charles Terreni
Chief Clerk of the Commission
Public Service Commission of South Carolina
Post Office Drawer 11649
Columbia, SC 29211

Re:    2007-2008 Dual Party Funding

Dear Mr. Terreni:

The Office of Regulatory Staff, in conjunction with the TRS Advisory Committee, has evaluated and compiled the Dual Party Funding requirements for fiscal year 2007-2008. We respectfully request the SC Public Service Commission review and approve the budget request which includes expanded program services and no adjustments to the present $0.15 access line charge. The ORS is available to brief the Commission on this information if necessary.

Sincerely,

C. Dukes Scott
Executive Director

Enclosures

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# I.     Introduction

The South Carolina General Assembly established the South Carolina Dual Party Relay Service to provide telephone access to persons who are hearing- or speech- impaired. The South Carolina Dual Party Relay Service outlined in S. C. Code Annotated Section 58-9-2520 may include the following items:

1) a statewide dual party relay service;
2) a service provider to provide relay service that handles all intrastate calls via telecommunications devices for the deaf;
3) a distribution system for all TTYs ; and
4) the establishment of procedures to implement and administer all aspects of the dual party relay service, the distribution of TTYs, and a funding mechanism to cover all associated costs.

The General Assembly also gave the South Carolina Public Service Commission (Commission) the authority to establish the telephone relay surcharge to fund the Dual Party Relay Service programs identified by the Commission.  For fiscal year 2006-2007 this surcharge was set at $0.15 per telephone access line.

## II. Dual Party Program Overview

Funded programs for the Dual Party Relay Fund for FY 2006-2007 include:

♦ SC TEDP Distribution Program
♦ SC TEDP Equipment Program
♦ Sprint Relay Center
♦ Real-time Closed Captioning of Local News and Emergency Broadcasts
♦ Closed Captioning of the General Assembly (including House, Senate, and selected ETV and Public Affairs programming)
♦ Closed Captioning of Instructional Programs from ETV and ITV
♦ Interpreters

Information specific to each program is provided by program area.

### 1.  South  Carolina  Telecommunications  Equipment  Distribution  Program (SC TEDP)

The SC TEDP distributes telecommunications equipment to South Carolina residents with qualifying disabilities at no cost. The program is currently offered as an outreach service of the South Carolina School for the Deaf and Blind (SCSDB).  As of April 2007, SC TEDP has distributed over 3,000 pieces of equipment to SC citizens.

| | |
|---|---|
| TEDP Distribution FY06-07 Budget | $572,780 |
| TEDP Distribution FY06-07 Anticipated Expenditures | $469,975* |
| TEDP Distribution under budget | $102,805 |

*Based upon 10-month expenditures annualized

## 2. South Carolina Telecommunications Equipment Program

This funding area provides the mechanism for procuring equipment for distribution through the SC TEDP. Several pieces of equipment were removed and/or replaced during FY06-07 to ensure updated technology was available to clients. The equipment offered at no-cost to South Carolina residents includes:

- Williams Sound Teletalker
- AM 6000 Alertmaster
- Pillow switch
- XL-25 voice-amplifying phone
- VCO phone
- Artificial larynx
- Teletypewriter or TTY
- Large Visual Display
- CapTel telephone
- Dynamo/Minimo
- PacMate (deaf/blind equipment)

| | |
|---|---|
| TEDP Equipment FY06-07 Budget | $559,837 |
| TEDP Equipment FY06-07 Anticipated Expenditures | $559,837* |
| TEDP Equipment under budget | $      0 |

*Based upon 10-month expenditures annualized

## 3. Sprint Relay Center

Telecommunications Relay Services (TRS) enable standard voice telephone users to talk to people who have difficulty hearing or speaking on the telephone. Federal Communications Commission (FCC) rules require telephone companies to provide TRS nationwide on a 24-hour-a-day, 7-day-a-week basis, at no extra cost to callers. Conversations are relayed in real-time, and relay callers are not limited in the type, length, or nature of their calls. The current contractor, Sprint, reports that traditional TRS minutes have declined during the past year due to wireless technology and internet/video relay service availability. However, SC captioned telephone (CapTel) minutes of use have increased significantly since the program was adopted by the Commission in 2005.

The current contract for Relay services will expire in September 2007. ORS is preparing to release a request for proposal to procure relay services.

| | |
|---|---|
| Sprint FY06-07 Budget | $1,900,000 |
| Sprint FY06-07 Anticipated Expenditures | $1,538,922* |
| Sprint under budget | $  361,078 |

*Based upon 10-month expenditures annualized

## 4. Real-time Closed Captioning of Local News and Emergency Broadcasts

The real-time closed captioning program provides the hearing-impaired community access to local news broadcasts and emergency broadcasts in South Carolina. At least one station in each of the four major media markets provides real-time closed-captioning during its local news broadcasts, along with pre-selected public affairs

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programs and emergency news broadcasts. The stations currently used are WYFF in Greenville, WIS in Columbia, WBTW in Florence, and WCSC in Charleston.

This service is provided by the South Carolina Association for the Deaf, Inc. (SCAD) through a contract that runs on a month-to-month basis. ORS issued a Request for Proposal to provide this service in January 2007.

| | |
|---|---|
| Real Time Closed Captioning FY06-07 Budget | $810,000 |
| Real Time Closed Captioning FY06-07 Anticipated Expenditures | $776,932* |
| Real Time Closed Captioning under budget | $ 33,068 |

*Based upon 10-month expenditures annualized

## 5. Captioning of Instructional Programs from ETV and ETV - ITV

The ETV and ETV-ITV captioning programs support FCC required captioning of instructional and public service programming aired statewide and in school classrooms.

| | |
|---|---|
| ETV Closed Captioning FY06-07 Budget | $133,741 |
| ETV Closed Captioning FY06-07 Anticipated Expenditures | $133,741* |
| ETV Closed Captioning Distribution under budget | $ 0 |

*Based upon 10-month expenditures annualized

## 6. Captioning of the General Assembly (including House, Senate, Legislative Programming, Public Affairs Programming, and Special Public Events)

The purpose of the General Assembly captioning program is to provide closed-captioning services for the hard-of-hearing and deaf community for sessions of the South Carolina Senate and House of Representatives and to provide Communication Access Real-time Translation (CART), or interpreter services, for committee meetings and public hearings. Recognizing that the General Assembly does not require these services year-round and that the duration of the daily meetings is impossible to forecast, the House and Senate continues their partnership with South Carolina Educational Television (ETV) to provide captioning for legislative programming, certain public service programming, and selected special public events broadcast by ETV.

| | |
|---|---|
| General Assembly Closed Captioning FY06-07 Budget | $175,000 |
| General Assembly Closed Capt. FY06-07 Anticipated Expenditures | $175,000* |
| General Assembly Closed Capt. under budget | $ 0 |

*Based upon 10-month expenditures annualized

## 7. Interpreters

The interpreter program provides American Sign Language and CART services during the quarterly TRS Advisory Committee meetings and other TRS-related situations needing these services.

| | |
|---|---|
| Interpreters FY06-07 Budget | $3,700 |
| Interpreters FY06-07 Anticipated Expenditures | $3,000* |
| Interpreters under budget | $ 700 |

*Based upon 10-month expenditures annualized

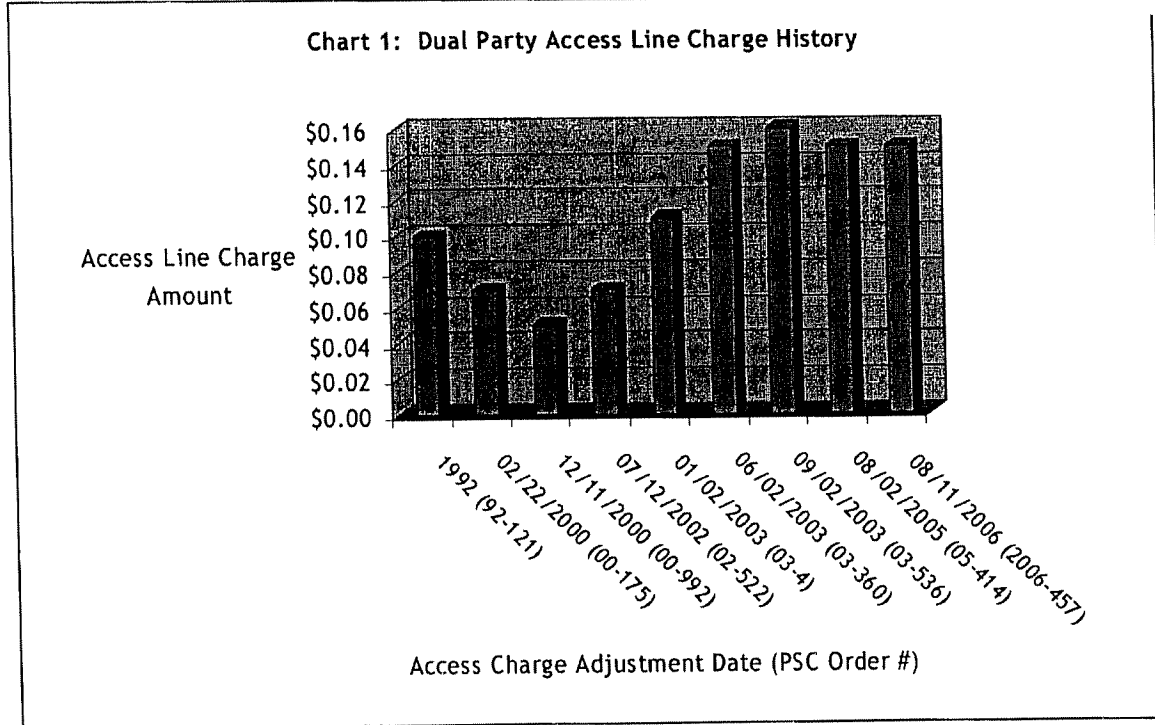# III. Dual Party Relay Program Budget and Financial History

<u>Budget and Access Lines Surcharge History</u>

Listed below is the budget history of the Dual Party Relay Program since FY 2001-2002 along with a historical representation of the Dual Party Relay Surcharge

## Table 1. Dual Party Budgets 2001-2007

| Funded Program | FY 01/02 | FY 02/03* | FY 03/04 | FY 04/05 | FY 05/06 | FY 06/07 |
|---|---|---|---|---|---|---|
| Sprint Relay | $1,500,000 | | $3,960,000 | $1,900,000 | $1,900,000 | $1,900,000 |
| Sprint (Outreach Program) | | | | $100,000 | | |
| Additional Sprint Contract Expense per FCC Order | $257,000 | | | | | |
| Instructional Closed Captioning (ETV) | $300,000 | | | $235,000 | $133,741 | $133,741 |
| SC General Assembly - Closed Captioning | $536,000 | | $530,000 | $155,000 | $175,000 | $175,000 |
| Real-Time Closed Captioning of TV Broadcasts | $864,000 | | $740,000 | $810,000 | $810,000 | $810,000 |
| SC TEDP (Distribution) | $355,767 | | $380,000 | $472,870 | $521,483 | $572,780 |
| SC TEDP (Equipment) | $653,042 | | $650,000 | $435,000 | $435,000 | $559,837 |
| SC TEDP (Media Outreach) | $300,000 | | | | | |
| Interpreters | | | | $3,700 | $3,700 | $3,700 |
| Assisted Technology Project | $300,000 | | | | | |
| Total Budget | $5,065,809 | | $6,260,000 | $4,111,570 | $3,978,924 | $4,155,058 |

*Information unavailable

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**Chart 1: Dual Party Access Line Charge History**



Access Line Charge Amount

$0.16
$0.14
$0.12
$0.10
$0.08
$0.06
$0.04
$0.02
$0.00

1992 (92-121)
02/22/2000 (00-175)
12/11/2000 (00-992)
07/12/2002 (02-522)
01/02/2003 (03-4)
06/02/2003 (03-360)
09/02/2003 (03-536)
08/02/2005 (05-414)
08/11/2006 (2006-457)

Access Charge Adjustment Date (PSC Order #)

## FY 2006-2007 Financial Data

The Dual Party Relay Program began the fiscal year with a balance of:    $1,566,642
Anticipated Revenue for FY06-07 based on 10-month revenues:    $3,782,743
Total Available Funds    $5,349,385

Anticipated Expenditures Based on 10-month expenditures annualized:    $3,657,407

Anticipated Carry-forward at end of FY 06-07:    $1,691,978

## Access Line Information

The Dual Party Relay Program is funded by charging telephone carriers with access lines a surcharge on those lines each month. The historic number of access lines reported to the Dual Party Relay Program since FY04-05 is listed below in Table 2. It should be noted the increase in reported access lines in 2005-2006 is contributed to increased reporting activity by the telephone carriers. It appears SC has experienced a 1.14 % decline in access lines from 2005 to 2007.

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Table 2. Dual Party Average Access Lines and Historic/Projected Program Revenue

| Year | Average Monthly Reported Access Lines | Per Line Charge | Total Annual Revenue |
|---|---|---|---|
| 2004-2005 | 2,078,812 | $0.16 | $3,991,319 |
| 2005-2006 | 2,125,809 | $0.15 | $3,826,456 |
| 2006-2007[1] | 2,101,524 | $0.15 | $3,782,743 |

[1] 2006-2007 Access lines and revenue are based on projections using a 10-month average.

## 2007-2008 Revenue Projection

Table 3 details projected access lines and 2007-2008 program revenue. Projections are based on an annual decrease of 1.4% in access lines based on data from the 2007 FCC Wireline Competition Report. This gradual decline is corroborated by the month-to-month decline in reported access lines to the Dual Party Relay Program during FY06-07.

Table 3. Dual Party Average Access Lines and Projected Program Revenue

| Year | Average Monthly Access Lines | Per Line Charge | Total Projected Revenue |
|---|---|---|---|
| 2007-2008 | 2,072,103 | $0.15 | $ 3,729,785 |
| 2008-2009 | 2,043,094 | $0.15 | $ 3,677,569 |
| 2009-2010 | 2,014,491 | $0.15 | $ 3,626,083 |

# V. 2007-2008 Budget Request

## Funds Available For FY07-08

| | |
|---|---|
| Projected carry-forward at beginning of year: | $1,691,978 |
| Projected Revenue: | $3,729,785 |
| Total Cash Available | $5, 421,763 |
| Less Contingency* | $ 750,000 |
| Amount Available for Funded Programs | $4, 671,763 |

*Contingency represents approximately 2 months operating expense. This amount is set aside in case of decline in access lines, non-payment into the program by the telephone carriers, or an emergency program need.*

## Budget Requests for FY07-08

In May 2007, the ORS collected and reviewed budget requests submitted by currently funded program areas. Table 4 provides a comparison between the FY06-07 approved budget and FY07-08 proposed budget and justification for program area increases.

Table 4. Budget Comparison and Justification

| Funded Program | FY06/07 Budget | FY07/08 Request | Amount of Increase | Justification |
|---|---|---|---|---|
| SC TEDP (Distribution) | $572,780 | $612,760 | $39,980 | 6.9% growth represents 3% cost of living increase for SCSDB employees, program awareness marketing and one-time program software upgrade to web-based platform. |
| SC TEDP (Equipment) | $559,837 | $717,089 | $157,252 | Reflects overall program growth and service expansion of 28% due to expanded outreach efforts, increased demand for CapTel equipment and change in qualified applicant pool for the Minimo and Dynamo. |
| Sprint Relay | $1,900,000 | $1,693,509 | $(206,491) | |
| Real-Time Closed Captioning of TV Broadcasts | $810,000 | $810,000 | $0 | No increase projected for program |
| Instructional Closed Captioning (ETV) | $133,741 | $138,000 | $4,259 | 3.2% increase due to FCC requirement to caption 70% of all programs produced prior to 1998 |
| Collaborative Outreach Programming | $0.00 | $5,000 | $5,000 | Expense to produce a 30 minute ETV special program highlighting the Dual Party fund and program areas to raise awareness. ETV is donating production resources and cost of production. |
| SC General Assembly - Closed Captioning | $175,000 | $175,000 | $0 | No change to existing program |
| Interpreters | $3,700 | $3,700 | $0 | No change to existing program |
| Total Budget | $4,155,058 | $4,115,058 | $0 | 0% increase over FY06-07 Budget |

Discussion:

This budget request allows full funding for expansion as requested by each program area and detailed in the above table. In addition, this budget provides for a collaborative outreach effort to increase awareness of each program area.

Attachment A includes a copy the funding request submitted by program area.

**The requested budget would allow the Dual Party Relay Surcharge to remain at $0.15.**

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# VI. Multi-Year Budget Projection

| Program Area | 2007-2008 | 2008-2009 | 2009-2010 |
|---|---|---|---|
| SC TEDP - Distribution Program** | $612,760 | $628,398 | $659,817 |
| SC TEDP - Equipment Program | $717,089 | $717,089 | $717,089 |
| Sprint Relay | $1,693,509 | $1,693,509 | $1,693,509 |
| Real-Time Closed Captioning | $810,000 | $810,000 | $810,000 |
| SC General Assembly Closed Captioning | $175,000 | $175,000 | $175,000 |
| Instructional Closed Captioning | $138,000 | $138,000 | $138,000 |
| Collaborative Outreach | $5,000 | $0 | $0 |
| Interpreters | $3,700 | $3,700 | $3,700 |
| **Total Budget Request** | **$4,155,058** | **$4,165,696** | **$4,197,115** |
| Contingency | $750,000 | $750,000 | $750,000 |
| **Total Funds Required** | **$4,905,058** | **$4,915,696** | **$4,947,115** |
| | | | |
| Projected Revenue* | $3,729,785 | $3,677,569 | $3,626,083 |
| Projected Carry-forward | $1,691,978 | $516,705 | $0 |
| **Total Funds Available** | **$5,421,763** | **$3,987,783** | **$3,626,083** |
| **Budget Surplus/Deficit** | **$516,705** | **($721,422)** | **($1,321,032)** |

*Based on a 1.4 % annual decrease in access lines and $0.15 per access line.
** Based on 5% annual increase.

# Attachment A

I. Funding requests from Dual Party Program areas
    A. SC TEDP Distribution Program
    B. SC TEDP Equipment Program
    C. Instructional Closed Captioning (ETV/ETV-ITV)

**SC TEDP Distribution Program**
**FY07-08 Budget Proposal**

TEDP YEAR 5 (July 1 2007 - June 30, 2008)

| | BUDGET ITEMS | FY 07 BUDGET | FY08 BUDGET | DIFF. | Comments |
|---|---|---|---|---|---|
| 1 | PERSONNEL | | | | |
| | SUBTOTAL PERSONNEL | $ 216,708.00 | $ 225,537.00 | $ 8,829.00 | 3% cost of living as proposed by Legislators |
| 2 | FRINGE BENEFITS | | | | |
| | a. Actuals or no more 30.5% | $ 66,096.00 | $ 68,790.00 | $ 2,694.00 | |
| | TOTAL PERSONNEL | $ 282,804.00 | $ 294,327.00 | $ 11,523.00 | |
| 3 | OFFICE SPACE | $ 19,729.00 | $ 20,700.00 | $ 971.00 | annual progressive lease increase |
| 4 | SUPPLIES | $ 10,000.00 | $ 10,000.00 | $ - | |
| 5 | COMMUNICATIONS | $ 7,000.00 | $ 7,000.00 | $ - | |
| 6 | AWARENESS/PROMOTIONAL PROGRAM | $ 30,000.00 | $ 30,000.00 | $ - | |
| 7 | EQUIPMENT | $ 14,000.00 | $ 10,000.00 | $ (4,000.00) | reduction - new computers purchased FY 07 |
| 8 | MARKETING CONSULTANT | $ - | $ 20,000.00 | $ 20,000.00 | New line item - Program awareness (See Justification) |
| 9 | POSTAGE | | | | |
| | a. Routine Postage | $ 6,000.00 | $ 6,000.00 | $ - | |
| | b. Certified Mail | $ 30,000.00 | $ 30,000.00 | $ - | |
| | TOTAL POSTAGE | $ 36,000.00 | $ 36,000.00 | $ - | |
| 10 | OTHER | | | | |
| | a. Interpreting Services | $ 15,000.00 | $ 15,000.00 | $ - | |
| | b. Equipment Repair | $ 9,500.00 | $ 9,500.00 | $ - | |
| | c. Installers/Trainers | $ 40,000.00 | $ 40,000.00 | $ - | |
| | d. Data Base Support Services | $ 10,000.00 | $ 25,000.00 | $ 15,000.00 | One time expense: CIO recommendation to upgrade system for compatibility to SCSDB web-based platform |
| | e. Miscellaneous | $ 7,000.00 | $ 7,000.00 | $ - | |
| | TOTAL OTHER | $ 81,500.00 | $ 96,500.00 | $ 15,000.00 | |
| 11 | TRAVEL (Gen.,Conferences, etc) | $ 12,000.00 | $ 6,000.00 | $ (6,000.00) | reduction - based on FY07 actuals |
| 12 | Growth within overall program @ 5% | $ 21,594.00 | $ 26,527.00 | $ 4,933.00 | |
| | SUBTOTAL | $ 514,627.00 | $ 557,054.00 | $ 42,427.00 | |
| 13 | OVERHEAD COSTS | | | | |
| | a. 10% of subtotal | $ 51,463.00 | $ 55,706.00 | $ 4,243.00 | |
| | GRAND TOTAL | $ 566,090.00 | $ 612,760.00 | $ 46,670.00 | |

**SC TEDP Equipment Program**
**FY07-08 Budget Proposal**

| Vendor | Unit Name / Model | Price Per Unit | Annual Projected Distribution Quantity | Total Cost |
|---|---|---|---|---|
| CNI Systems | ULTRATEC -SUPER PRINT 4425 TTY | $ 286.55 | 125 | $ 35,818.75 |
| CNI Systems | ULTRATEC-SUPERPRINT PRO80 LARGE VISION DISPLAY | $ 459.10 | 10 | $ 4,591.00 |
| CNI Systems | ULTRATEC UNIPHONE 1140 VCO | $ 221.00 | 50 | $ 11,050.00 |
| CNI Systems | AMERIPHONE-CLARITY DIALOGUE VCO | $ 123.00 | 100 | $ 12,300.00 |
| CNI Systems | AMERIPHONE ALERTMASTER AM-100 | $ 48.40 | 75 | $ 3,630.00 |
| CNI Systems | AMERIPHONE ALERTMASTER AM-6000 | $ 106.15 | 325 | $ 34,498.75 |
| CNI Systems | AMERIPHONE PERSONAL SIGNALER AM-PX | $ 28.27 | 75 | $ 2,120.25 |
| CNI Systems | WILLIAIM SOUND TELETALKER | $ 79.97 | 1900 | $ 151,943.00 |
| CNI Systems | AMERIPHONE DIALOGUE JV-35 | $ 73.70 | 175 | $ 12,897.50 |
| CNI Systems | AMERIPHONE DIALOGUE XL-25 | $ 49.50 | 20 | $ 990.00 |
| CNI Systems | AMERIPHONE P-300 | $ 16.88 | 35 | $ 590.80 |
| CNI Systems | AMERIPHONE RC-200 | $ 310.11 | 50 | $ 15,505.50 |
| CNI Systems | AMERIPHONE RC- AIR SWITCH | $ 14.83 | 25 | $ 370.75 |
| CNI Systems | AMERIPHONE PS-SOC PILLOW SWITCH | $ 12.56 | 25 | $ 314.00 |
| CNI Systems | AMERIPHONE HEADSET W/ MICROPHONE | $ 14.69 | 35 | $ 514.15 |
| CNI Systems | AMERIPHONE RC REMOTE CONTROL | $ 14.30 | 10 | $ 143.00 |
| CNI Systems | GRIFFIN LABORATORIES TRU-TONE ARTIFICIAL LARYNX | $ 412.50 | 125 | $ 51,562.50 |
| CNI Systems | FS TTY w/ PACMATE QX420 w/ 2 YEAR WARRANTY | $ 5,470.00 | 2 | $ 10,940.00 |
| CNI Systems | * FACE TO FACE (PACMATE) | $ 1,400.00 | 0 | $ - |
| CNI Systems | CAPTEL PHONE | $ 350.00 | 200 | $ 70,000.00 |
| WCI, Inc. | WIRELESS DOORBELL for Alertmaster System | $ 32.00 | 35 | $ 1,120.00 |
| Harris Comm. | EAR BUFF | $ 2.95 | 320 | $ 944.00 |
| Harris Comm. | DYNAMO | $ 2,297.90 | 5 | $ 11,489.50 |
| DynaVox | MINI MO | $ 2,588.93 | 75 | $ 194,169.75 |
| DynaVox | TASH INFRARED PHONE for Dynamo | $ 840.00 | 80 | $ 67,200.00 |
| Learning Resources | PHONE JACK DOUBLER  ITEM # DP-2     Box of 100 | $ 150.00 | 10 | $ 1,500.00 |
| Silent Call Comm. | | | | |
| | SUB - TOTAL | | 3887 | $ 696,203.20 |
| | 3% GROWTH | | | $ 20,886.10 |
| | TOTAL | | | $ 717,089.30 |

**Dual Party Funding Request**
**April 16, 2007**

1) *Funding Area:*     ETV Captioning

2) *Mission:*
        To provide closed captioning for SC Public Television Programs, for SC
Public School students and for Professional Staff Development and Training
programs. As the State Emergency Communication System, we are required by the
Governor and OEM to provide emergency information to the state for any statewide
emergency and we are required by Federal mandate to caption any information that
is provided orally.

   *Goal:*
        As a producer of quality television programs, ETV brings to bear all of its
considerable talent and expertise in developing and producing programs that are of
interest to the citizens of our State. While the viewing audience that is deaf or hard
of hearing is a small one, our contention is that every South Carolinian should have
equal access to our programming. In fact it is a federal mandate that all programs
produced since 1998 be captioned and 30% per quarter of any programs that air that
were produced prior to that date. Beginning Jan 1, 2008 70% of all programming
produced prior to 1998 must air captioned. ETV has a tremendous library of
programs that were produced prior to 1998 and over the past several years we have
been working to identify programs in the library that have future potential for airing
(such as profiles of state and national leaders, programs about different towns and
cities, dramas, etc.) and to get these captioned. There is no money in our budget for
this. Without the Dual Party Funding we would be out of compliance with a federal
mandate and liable for fines.

        Additionally, we are the producer for many staff development and in-school
programs that are designed to meet specific curriculum needs identified by the State
Dept. of Education. There is no federal mandate to provide funding for locally
produced education products. But, we feel strongly that ETV was developed to
provide equity in education and all of our programs should be available to both
hearing and non-hearing students and teachers.

3) *Funding area goals:*
        Insure that all new programs produced in the FY 07-08 are captioned.
Continue to evaluate already produced programs. Select legacy programs from the
tape library to be captioned and start that process.

4) *Budget priorities:*
        Captioning of all statewide and regional programs that are produced by
SCETV
        Captioning all educational productions produced by ETV
        Captioning identified past productions (i.e.; legacy) that may be aired over
SCETV or another broadcast system to meet the federal mandate

Upgrade and/or replace equipment or software as needed
Provide administrative assistance to captioning project
Produce a video explaining what the Dual Party Fund is and highlighting the
services provided through Dual Party Funding.

5) *Justification:*
We have a federal mandate to provide captioning for all new programs (those
are identified as programs produced from Jan 1998 through the present) with the
exception of those that air between 2:00 AM until 6:00 AM. As of Jan 1, 2008 we will
be required to caption 70% of any programs produced prior to 1998. That % will
increase with each successive year until 100% of programs are captioned.

ETV is a statewide network so programs that are produced at our regional
stations fall under this mandate. While locally created and broadcast programs of
local public interest are exempt, any program that is networked and carried on more
than one station is not entitled to this exemption. The same criteria also apply to
educational programming that ETV produces. As a statewide network we are not
eligible for the following exemption: "Instructional programming that is locally
produced by public television stations for use in grades K-12 and post-secondary
schools."

It will be very difficult, if not impossible, to detail specific programs that need
to be captioned. Each year ETV and SDE have new initiatives and new programs
being produced and they have to be captioned. As we continue to search the vault for
existing or legacy programs that have not been captioned, our estimate is based on
what has been captioned in the past. This is not an exact science, though. The
nature of the different types of programs ETV produces requires different captioning
approaches:

1) Live Realtime Captioning –for teleconferences and programs that are
aired live;
2) Live Display Captioning --for programs that are taped and air at a later
date. The captioner can pre-type the program, check for typos and
difficult names and then feed the captioning as the show is airing if
there is adequate lead-time;
3) Pre-taped Off-line --After a program has been recorded, but before it is
broadcast and/or reproduced, a script is created and edited by an offline
caption editor. The script is then imported using captioning software.
This software creates captions and then the captioner assigns video time
codes to the captions. Captions are further edited to accommodate
retention and comprehension of the information being relayed in the
video. Another copy of the program, with the captions, is then recorded
and becomes the air copy.

The vast majority of programs that are captioned from our tape library use the
third method (i.e.; Pre-taped Off-line.) It is the most accurate and expensive. Dramas
and highly produced programs are also done in this manner.

The biggest expense for our captioning project is hiring skilled personnel to do the typing and caption editing required. While ETV has encoding equipment we outsource this portion. For each ½ hour program that is captioned Live Display ETV spends $85.25 (in equipment and personnel), for an hour program the amount is $106.20. For a Pre-taped Off-Line the cost to ETV is $155.32, for an hour program the cost is $222.27. This is not funded through the Dual Party Fund. Outsourcing is the major expense ETV needs covered by this fund.

For 2007-2008 --We estimate captioning up to 150 legacy programs from ETV's tape vault –These will include profiles of state leaders and identified statewide programs. During the funerals of Senator Thurmond, Representative Spence and Governor Campbell, programs that from the vault were aired and many had already been captioned from earlier Dual Party Funding.

|  |  |
|---|---|
| Estimated cost | $ 95,000.00 |

Realtime captioning for ITV Staff Development Teleconferences and Professional training  (based on past years)

|  |  |
|---|---|
| Estimated Cost | $ 8,000.00 |

New Instructional programs being produced in 2007-08 (This will be Pre-produced Off Line)

|  |  |
|---|---|
| Estimated Cost | $ 10,000.00 |

Equipment & software upgrades and/or replacements to support— tape and/or DVDs

|  |  |
|---|---|
| Estimated Cost | $ 20,000.00 |

Creation and management of Closed caption resource Web Site. This site will provide a list of ETV closed captioned programs and will include a comments and questions section. ETV staff will monitor this site to provide a summary of utilization.

|  |  |
|---|---|
| Estimated costs | $ 5,000.00 |
| Total Requested for 07-08 | $138,000.00 |

**** Please note that many of our local programs, public affairs programs, cultural and minority programming are not covered under this grant, but are covered under the General Assembly Captioning category.

6) *Performance Measures:*
Since ETV is a statewide network all of our programs have to be captioned. There is no subscription policy or metering available to measure how many of our viewers are deaf or hard of hearing and use the captioning offered.

Performance measures that can be used:

1) Low number of complaints about captioning. To date we have received none;

2) Tallying complaints about lack of captioning through ETV's customer service representative;
3) Determine if fines have been levied for being out of compliance with the federal mandate;
4) Detail the number of captioned program hours aired that were produced prior to 1998
5) In order to make our target audience aware of closed captioned programs available, ETV will host a link to our website listing alphabetically by title all of the SCETV closed captioned programs from 1998 forward and updating them as legacy programs are added to the list. This site will include a comments and questions section. We will monitor this site to provide a summary of traffic.
6) SCETV will produce Interstitials for ETV and SCC to inform viewers about closed captioned programs produced and aired by ETV.
7) ETV intends to create a flyer about closed captioning programs that can be distributed at conferences, meetings, and by ETV staff at conferences and workshops that we conduct. This will send people to the web-site and will allow us to begin to know who our audience is and how responsive ETV is to this audience.

Submitted by:

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